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A N N E X

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GREEK GOVERNMENTAL PROSPECTS

The prospect for the establishment of a more stable and effective Greek government has improved somewhat with the resignation of the Venizelos Cabinet. Venizelos, who has been under considerable pressure from the US and from within his own party, now appears willing to cooperate in the broad centrist coalition under General Plastiras which he had originally agreed to support after the recent national elections. Plastiras will probably be able to form a government capable of surviving at least its initial parliamentary tests.

Such a cabinet's majority will probably be small, however, and its continued stability is problematical. Venizelos' attempt to assume the role of premier has undoubtedly resulted in strained relations with his prospective colleagues and has thus laid the basis for future dissension which might wreck the new government. At the same time, the Palace and right wing politicians are strongly opposed to Plastiras as premier and will take every opportunity to undermine him. Should the Plastiras solution fail, other temporary governmental combinations might be tried, but the resulting instability would probably soon make new national elections an absolute necessity.

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